

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

In re: §
§ CASE NO. 10-40219
EDWARD MANDEL, §
§ (Chapter 11)
Debtor. §

DECLARATION OF EDWARD MANDEL

I, Edward Mandel, hereby declare as follows:

1. I am the debtor-in-possession in the above styled and numbered Chapter 11 bankruptcy case (the "Bankruptcy Case") voluntarily filed by me on January 25, 2010 (the "Petition Date").

2. I am submitting this Declaration in support of my objections to the claims of White Nile Software, Inc. ("White Nile"), Steven Thrasher ("Thrasher"), and Jason Coleman ("Coleman"). I am familiar with those claims, which are based on White Nile's, Thrasher's, and Coleman's state court petitions, with which I am also familiar, as filed by them in the 14th Judicial District Court for Dallas County, Texas, and which I have caused to be removed to this Court as Adversary Proceeding No. 10-04133 (the "Adversary Proceeding").

3. Thrasher asserts a claim against me and my estate for \$56,000,000; White Nile asserts a claim against me and my estate for \$56,000,000, and Coleman asserts a claim against me and my estate for \$25,000,000.

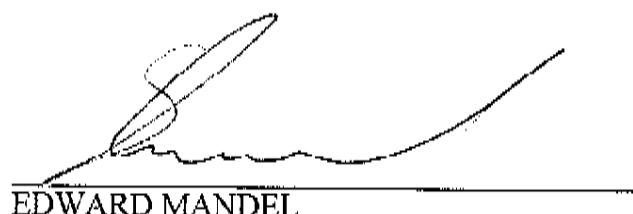
4. Each of these claims is based on the same core of operative facts. Thrasher alleges that he owns, or that White Nile owns, certain intellectual property (the "Intellectual Property") invented and owned by Thrasher and/or White Nile, which I allegedly stole and converted and transferred to NeXplore Corporation ("NeXplore"). Coleman alleges that he co-invented the Intellectual Property with Thrasher. White Nile alleges that it developed and owned

the Intellectual Property. White Nile, Thrasher, and Coleman therefore allege that I engaged in a conspiracy with others and converted this Intellectual Property, and that I engaged in various frauds, misrepresentations, and other alleged conduct in connection with the same. They also allege that NeXplore is in the same business as White Nile and that NeXplore is using White Nile's, or Thrasher's and Coleman's, Intellectual Property.

5. I hereby deny any and all allegations of White Nile, Thrasher, and Coleman concerning any liability to them.

6. Specifically, I deny that: (i) Thrasher and/or Coleman invented or owned the Intellectual Property; (ii) NeXplore is using the Intellectual Property; (iii) I took, converted, or otherwise did anything wrongful with any Intellectual Property of White Nile; (iv) engaged in any conspiracy; (v) oppressed any shareholder rights; (vi) made any misrepresentation or false statement to Thrasher (or Coleman); (vii) transferred any of the Intellectual Property to NeXplore or to anyone else; or (viii) otherwise committed any of the alleged actions that form the basis of the claims filed in the Bankruptcy Case by White Nile, Thrasher, and Coleman.

7. I declare under penalty of perjury, and the laws of the United States of America and the State of Texas, that my statements in this Declaration are true and correct to the best of my knowledge and belief.



EDWARD MANDEL